

15th April, 1949

B.S.E. 1949/2

NEW SOUTH WALES

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PART 1: EMPLOYMENT AND NON-RURAL INDUSTRIES.

EMPLOYMENT - New South Wales:

After falling seasonally in January, New South Wales employment (other than rural and female domestics) reached a new peak of 984,300 (716,300 men and 268,000 women) at the end of February, 1949, which compares with 953,100 and 903,600 in the same month of 1948 and 1947. The average addition to the work force has fallen from about 6,000 a month during the main demobilisation period of 1945-1947 to 2,600 a month during the past twelve months. Immigration is now a more important source of new labour than the regular small increase from the excess of school-leavers, students and trainees entering jobs over losses through death and retirement. During the first ten months of 1948 (the latest period for which figures are available) the net population gain from permanent migration for Australia averaged about 3,700 a month; since then the inflow has accelerated and is expected to average over 10,000 a month for 1949. Displaced persons are being used to relieve some of the most serious labour shortages in construction jobs, harvesting, hospitals etc. but generally the flow of migrant labour has not yet relieved the labour shortage. The number of unfilled vacancies registered with Commonwealth Employment Service offices in New South Wales at the end of February totalled 39,500. Unemployment has practically disappeared; at the end of February only 132 men and 25 women were receiving unemployment benefits in this State.

EMPLOYMENT IN NEW SOUTH WALES (excl. employers & workers on own a/c)

M o n t h	WAGE AND SALARY EARNERS IN EMPLOYMENT					Men from N.S.W. in Armed Forces
	Rural	Domestics	All other Wage Earners			
	Males(a)	Females(b)	Males	Females	Total	
	t h o u s a n d s					
1939 - July	41	52	530	168	698	6
1945 - July	23	19	541	247	788	224
1946 - July	27	20	625	243	868	44
1947 - July	26	n.a.	677	253	930	21
1948 - February		n.a.	694	259	953	17
July	31	n.a.	702	263	965	14
December		n.a.	710	271	981	14
1949 - January		n.a.	712	267	979	13
February		n.a.	716	268	984	13

(a) Ascertained annually in March; permanent employees only. (b) Employed in private households.

Main increases in employment during the past twelve months were recorded in factories (10,500), building & construction (4,700), road & rail transport (3,400), communications (1,600), banks, insurance and wholesale trade (4,600), while there was a significant lag in some basic industries such as shipping and coal mining. Total employment increased by 41% from 697,900 to 984,300 between 1939 and 1949 but the increase was spread unevenly. The proportion in factories and transport rose from 42.9% of the total to 49.4%. Building trades employment was 8.4% of the total in 1939 but fell off heavily during the war and is still only 6.5% although demands on the industry have increased greatly. The proportions employed in mining (3.6% and 2.8%) and in retail trade (11.5% and 9.5%) are also considerably below pre-war.

War and post-war growth of private industries has been accompanied by a rise of Government activities in transport, construction, postal, health and other services. Although Government responsibilities have been extended in some of these fields the share of Government employment (Commonwealth, State and local) increased only from 22.3% in 1939 to 23% in 1949. Major Government activities such as transport and construction work are suffering from severe labour shortages

EMPLOYEES IN MAIN INDUSTRIES - NEW SOUTH WALES. (In thousands)

Month	Factories	Building & Construction.	Mining & Quarrying.	Transport & Communication.	Retail Trade	Commerce and Finance	Professional & Personal Services	Other	TOTAL Wage & Salary Earners.
1939-July	218.1	58.4	24.8	81.6	80.0	67.5	105.7	61.8	697.9
1945-July	302.3	34.9	24.9	100.5	67.7	56.7	115.4	85.5	787.9
1947-July	342.5	58.0	26.9	115.5	87.5	79.0	140.0	80.2	929.6
1948-Feb.	351.6	59.1	27.9	118.8	91.2	81.9	144.5	78.1	953.1
July.	356.4	62.2	28.3	121.2	92.2	82.5	143.7	77.4	963.9
1949-Jan.	359.1	63.5	27.2	122.7	94.9	86.1	146.5	78.7	978.7
Feb.	362.1	63.8	27.9	123.8	93.8	86.8	147.3	78.8	984.3
Prop'n in %	Percentage of Total								
1939-July	31.2	8.4	3.6	11.7	11.5	9.7	15.1	8.8	100
1948-Feb.	36.9	6.2	2.9	12.5	9.6	8.6	15.1	8.2	100
1949-Feb.	36.8	6.5	2.8	12.6	9.5	8.8	15.0	8.0	100

Employment in the major factory classes continues to increase steadily. The number employed in metal and chemical factories rose by 2,400 and 1,000, respectively, during the past twelve months and now represents 46% of total employment as against 41% in 1939. Employment in clothing factories rose by 1,700 over the year while that in textile mills, which had expanded rapidly during the war, and early post-war period showed only a small increase. Factory employment of women, mainly in the clothing, textile, metal and food groups, rose from 88,800 to 92,200 over the year. It now represents 25.5% of total factory employment, compared with 27.3% in 1939.

TOTAL FACTORY EMPLOYEES (a) NEW SOUTH WALES - Thousands.

Factory Class	1939	1945	1946	1947	1948		1949	
	July	July	July	July	Feb.	July	Jan.	Feb.
Bricks, cement, glass, etc.	12.3	10.4	13.6	15.4	15.1	15.9	16.4	16.7
Chemicals, paints, etc.	8.0	12.3	14.2	14.0	14.8	15.1	15.5	15.8
Metal trades (incl. vehicles)	81.3	143.7	138.1	147.5	150.0	151.8	152.1	152.4
Textiles	14.7	17.8	19.9	21.3	21.3	21.8	21.9	21.7
Clothing	29.1	33.4	39.9	42.7	43.9	45.1	44.7	45.6
Food, drink & tobacco	26.4	32.5	34.3	34.4	36.6	35.3	36.8	37.8
Sawmills, woodwork, furniture	14.4	16.5	19.0	21.3	22.4	22.6	22.7	22.8
Paper, printing, etc.	16.4	15.7	18.8	20.2	20.3	20.7	21.3	21.5
Other factories	15.5	20.0	25.0	25.7	27.2	28.1	27.7	27.8
All Factories - Men	158.8	216.6	239.7	255.7	262.8	265.3	268.4	269.9
Women	59.3	85.7	83.1	86.8	88.8	91.1	90.7	92.2
Total	218.1	302.3	322.8	342.5	351.6	356.4	359.1	362.1

(a) Excluding working proprietors.

Commonwealth Employment Service reports show that the labour shortage in the State continues unabated. Unfilled vacancies registered rose from 10,200 in February, 1946 and 35,200 in 1948 to 39,500 in 1949. Against that there were 9,200 applicants for jobs in February 1949, including 6,900 in jobs which they wished to change and many others difficult to place because of age and disabilities, e.g., 440 incapacitated miners in the coal districts. The only small labour surplus was of truck drivers and watchmen, and factories now under construction will absorb the last few pockets of unused labour in country towns. The general labour shortage in the Sydney, Newcastle and Wollongong areas extends to Goulburn, Albury and other country centres where industries have been established or expanded in recent years. There is also a general shortage of workers for mining, fruit-picking and building in country areas. Registrations of unfilled vacancies at the end of February included about 2,600 for fitters, turners, and metal process workers, 1,150 for male clerks, 3,570 for male unskilled manual workers, 4,700 for female clothing and textile workers and 1500 for female office workers.

REGISTRATIONS WITH COMMONWEALTH EMPLOYMENT SERVICE, New South Wales

End of Month	J u v e n i l e s				A d u l t s				Unemployment	
	Males		Females		Males		Females		Beneficiaries	
	Un-placed	Vacancies	Un-placed	Vacancies	Un-placed	Vacancies	Un-placed	Vacancies	Males	Females
in t h o u s a n d s										
1947 - February	1.0	2.0	0.7	4.8	12.4	12.8	1.4	8.4	3.6	0.1
1948 - February	1.0	5.1	0.7	4.5	6.1	16.6	1.5	8.9	0.3	-
1949 - February	1.0	5.9	0.8	5.0	5.5	18.9	2.0	9.7	0.1	-

FACTORIES - New South Wales - 1947-48.

New South Wales factory figures, now available for 1947-48, show that industrial expansion continued during the year but at a slower rate than during the two previous years. The growing labour shortage, lag in supply of important materials and industrial unrest in basic industries were factors limiting growth, and also it may be that post-war development programmes in many industries have reached the limits set by the present demand for industrial products. The value of production (value added to raw materials in production process) rose by 17% from £187 mill. in 1946-47 to £219 mill. in 1947-48, partly due to higher price levels. Average employment throughout the year, including working proprietors, rose by 7% to 363,365 (272,600 men and 90,765 women) while total wage payments rose by 21% to £125 mill. Rising wages and the introduction of the 40-hour week lifted the proportion of wages costs in total production values from 49.4% in 1938-39 and 55.5% in 1946-47 to 57.3% in 1947-48; however, this proportion was even higher during some war years when more overtime was worked.

The main expansion in value of production during 1947-48 occurred in the metal industries which had 42% of the total (compared with 40% in 1946-47 and 35% in 1938-39), but the production value in other major industries also showed considerable advances during the year. The growth of the State's factories during the past ten years is shown by the following increases: number of factories 61%, factory employment 59% and value of production 141%.

NEW SOUTH WALES FACTORIES.

Particulars		1938-39	1943-44	1945-46	1946-47	1947-48
Value of Production	Unit.					
Bricks, Cement, glass etc.	£mill.	5.47	4.94	5.74	8.15	9.36
Chemicals, paints etc.	£mill.	6.39	9.66	11.38	12.84	14.18
Metal trades (incl. vehicles)	£mill.	31.69	78.52	62.57	74.54	90.90
Textiles	£mill.	3.55	8.10	7.41	9.76	11.55
Clothing	£mill.	6.23	10.05	12.05	15.60	18.00
Sawmills, furniture etc.	£mill.	5.06	7.30	7.94	10.00	12.87
Paper, Printing etc.	£mill.	6.54	8.06	8.47	11.64	13.38
Food, drink, tobacco	£mill.	16.11	21.44	22.54	25.11	27.41
Other Factories	£mill.	9.23	14.66	15.11	18.91	20.96
ALL FACTORIES - V. of Prod'n.	£mill.	90.27	162.73	153.18	186.55	218.61
Sal's & Wages paid	£mill.	44.61	93.52	87.65	103.59	125.35
Number of Factories	no.	9,464	10,287	12,287	13,961	15,194
Total Employment, yearly av.	Thous.	228.8	323.0	310.9	343.1	363.4

Quantitative production figures reveal an uneven industrial growth. Output of steel ingots (1.134 m.t.) and steel rails, bars and sections (1.12 mill. tons) in 1947-48 was only slightly higher than in 1946-47 and, although 16% above pre-war, quite insufficient for present demand. The progress of the building materials industries were discussed in the previous issue of the Digest. Notable advances were made in the manufacture of electrical and other engineering products, chemicals woollen and knitted goods, but the high 1946-47 figures were not maintained in the output of leather (sole and harness), boots and rubber tyres; industrial disputes reduced the output of beer and tobacco.

NEW SOUTH WALES FACTORIES - Production of Certain Goods.

Product	Unit.	1938-39	1943-44	1945-46	1946-47	1947-48
Pig Iron	mill. tons	1.10	1.19	0.85	0.93	1.03
Steel Ingots	mill. tons	1.17	1.52	1.05	1.32	1.34
Steel, rails, bars, sections	mill. tons	0.97	1.22	0.85	1.11	1.12
Steel, structural fabric'd	000 tons	50	86	54	56	68
Wire & wire netting	000 tons	82	102	63	101	105
Soaps & soap powders	000 cwt.	534	759	781	605	791
Woollen & Worsted Cloth	mill. sq. yds.	11.8	16.0	12.4	12.8	14.4
Socks & Stockings	m. dozen prs.	1.05	1.00	0.73	0.75	0.80
Leather, sold by weight	mill. lbs.	11.1	13.8	13.3	13.4	13.0
Leather, sold by meas.	mill. sq. ft.	26.1	37.1	35.7	38.4	39.9
Boots & Shoes	mill. pairs	4.76	6.48	6.14	7.20	6.25
Rubber Tyres	thousand	663	446	540	908	870
Beer	mill. gall.	33.90	38.22	39.07	50.65	45.63
Tobacco	mill. lbs.	10.76	11.98	11.55	13.02	12.85
Cigarettes	mill. lbs.	4.50	5.93	5.52	6.80	6.72
Household Refrig's	thousand	13	7	19	41	67
Electric Motors	thousand	27	52	52	82	106

PRODUCTION OF COAL - New South Wales

Coal output in the first quarter of 1949 was well maintained with a total of 2.40 mill. tons (10 weeks ended March, 26), averaging 240,000 tons a week, compared with 233,000 tons and 206,000 tons in corresponding periods of 1948 and 1947. Output from open-cuts contributed about 11% of the total in the 1948 and 1949 periods

PRODUCTION OF COAL, NEW SOUTH WALES, in thousand tons.

	Yearly Average	Year			Period ended	
	1937-39	1946	1947	1948	27-3-48	26-3-49
Underground	10,273	10,430	10,724	10,467	2,058	2,125
Open-cut	-	756	959	1,254	268	275
Total	10,273	11,186	11,683	11,721	2,326	2,400

GAS & ELECTRICITY, Sydney and New South Wales.

New South Wales production of gas in February, 1949 (1,328 mill.cub.ft.) and of electricity (288 mill.kwh) were well above the level of the same month of previous years, and the seasonally adjusted index of gas and electricity consumption in Sydney reached the record figure of 189, that is 8% above 1947-48 and 89% above pre-war average. For the whole State gas production is now approximately 70% and electricity production approximately 100% above pre-war.

GAS AND ELECTRICITY PRODUCTION & CONSUMPTION, New South Wales.

Year ended June	New South Wales Production		Gas & Electricity Consumption, Sydney. Seasonally adjusted index
	Gas	Electricity	
	Mill.cub.ft.	Mill.kwh.	
Average 1937-1939	10,650	1,797	100
1946	15,302	2,832	147
1947	16,744	3,229	161
1948	18,093	3,546	174
<u>M o n t h</u>			
1948-January	1,296	265	166
February	1,298	272	173
December	1,441	298	183
1949-January	1,422	284	182
February	1,328	288	189

NEW SOUTH WALES RAILWAYS:

Railway traffic is being maintained at a high level but the resultant high earnings are insufficient to meet mounting expenses. Passenger journeys for the eight months ended February, 1949, 174.3 million, were the highest for that period since 1945-46, and goods traffic totalled 11.47 million tons, that is only slightly below 1947-48 when wheat movements were heavier. Gross earnings for the eight months period rose from £23.93 million in 1947-48 to £26.16 million in 1948-49, but working expenses increased more and the surplus on working account fell from £4.19 million to £3.46 million, the lowest for this period since 1938-39, in spite of the higher fares and freight rates (as from 13/8/47). For the full year 1947-48 the surplus on working account (£6.47 million) and Government contribution of £800,000 exceeded interest and other debt charges by £112,000.

Comparing the eight months ended February, 1949 with 1939: passenger traffic increased by 38%, goods traffic by 22%; gross earnings rose by 108% and working expenses by 144%, leaving a 5% increase in the surplus on working account.

NEW SOUTH WALES GOVERNMENT RAILWAYS.

Y e a r	Eight Months ended February					Month of February	
	Passenger Journeys	Goods(excl. Livestock)	Gross Earnings	Working Expenses	Net (a) Earnings	Passenger Journeys	Goods(excl. Livestock)
	Millions	mill.tons.	£.mill.	£mill.	£mill.	millions	mill.tons
1939	126.5	9.38	12.59	9.31	3.28	14.8	1.28
1947	171.1	11.13	20.32	16.45	3.87	20.4	1.29
1948	173.2	11.52	23.93	19.74	4.19	21.2	1.28
1949	174.3	11.47	26.16	22.70	3.46	21.0	1.38

(a) Excess of gross earnings over working expenses; excluding Government contribution of £800,000 for developmental lines.

REGISTRATION OF MOTOR VEHICLES:

Registrations of new cars (1,702) and commercial vehicles (736) in February, 1949 continued at a high level, and at the end of the month the number registered (228,000 cars and 140,000 commercial vehicles) was a record. Compared with 1939 there are now about 5% more cars and 80% more commercial vehicles, but many of these are over-age and in need of replacement. The Dunlop Rubber Company estimates that of the 1.06 mill. vehicles registered in Australia at the end of 1949 approximately 40% were over 15 years old.

REGISTRATION OF MOTOR VEHICLES, New South Wales(excl. Motor Cycles)

P e r i o d	New Vehicles Registered			Civilian Vehicles on Register		
	Cars	Lorries(a)	Total	Cars	Lorries(a)	Total
	Monthly Averages			as at end of period		
				000	000	000
1937-1939	1,748	736	2,484	216.6	78.7	295.3(b)
1942-1945	36	192	228	185.7	86.0	271.7(b)
1946	320	429	769	195.4	108.8	304.2
1947	1,018	664	1,682	205.9	124.5	330.4
1948	1,800	906	2,706	225.4	138.6	364.0
1948- January	871	540	1,411	206.7	125.5	332.2
February	1,265	704	1,969	207.8	126.4	334.2
1949- January	1,237	672	1,909	226.6	139.4	366.0
February	1,702	736	2,438	228.0	140.0	368.0

(a) Includes utilities, vans and road tractors. (b) as at 31st August 1939 and 1945.

PART 11: FINANCE AND TRADE

TRADING BANKS - Australia

Exceptionally high export returns and capital inflow from overseas, coupled with rising wage and price levels, are reflected in the rapid rise of trading bank deposits, from £688 million in August, 1948 to £813 million in February, 1949. This increase of £134 million (taking account of a statistical adjustment of £9 million made in January, 1949), may be compared with increases of £58 million in the same period of 1947-48 and only £12 million in 1938-39. Of the 1948-49 increase, £75 million were absorbed on Special account with the Commonwealth Bank and most of the balance was added to the banks' liquid assets (Treasury bills, cash and apparently also London funds). Bank advances to customers rose by only £10 mill. (taking account of the statistical adjustment) compared with £29 mill. in 1947-48 and £26 mill. in 1946-47. High rural incomes have restricted seasonal credit requirements and new industrial lending seems to have fallen off, either due to a tapering-off in industrial expansion or because of Commonwealth Bank restrictions on certain types of new loans.

NINE TRADING BANKS - Business within Australia.

Month (Weekly Averages)	Deposits at credit of Customers	Balances due to Other Banks	Advances to Customers	Public Secur- ities	Special A/c with C'wth. Bank	Treas- ury Bills	Cash Items	Ratio to Deposits	
								Ad- vanc- es.	Spec- ial Account
			£ million					%	%
1939-February	322	1	284	20	-	27	35	88	-
1946-February	629	1	208	119	243	72	44	33	39
1947-February	650	2	265	84	272	36	42	41	42
1947-August	629	3	308	76	240	11	41	49	38
1948-January	673	13	337	60	264	17	45	50	39
February	687	17	337	59	268	21	43	49	39
August	688	36	362	60	272	12	46	53	40
December	789	26	372	61	305	30	50	47	39
1949-January	791(a)	28	373(a)	61	321	32	54	46	41
February	813(a)	32	363(a)	62	344	32	51	45	42

(a) Following a technical adjustment in bank returns, deposits and advances were reduced by £9 million as from January, 1949.

SAVINGS BANK DEPOSITS

During February, 1949, the first month of the new savings drive, savings bank deposits in New South Wales increased by £1.4 million to the record figure of £240 million. The increment during the month was the highest since September, 1947. After a period of decline in 1946-47, savings began to accumulate again in 1948, and the increase in total balances between July, 1948 and February, 1949 was £3 million compared with that of £800,000 in the same period of 1947-48 and a fall of £6.7 million in 1946-47.

Deposits with all savings banks in Australia increased in February by £4 million to the new peak of £694.6 million.

SAVINGS BANK DEPOSITS (£million)

P e r i o d	New South Wales				Total Deposits at end of Period.	
	Deposits lodged	Withdrawals made	Net Increase(+) or decrease (-)	Interest added	N.S.W.	Australia
1938/39 July-June	66.6	67.2	-0.6	1.6	87.5	245.6
1945/46 July-June	191.3	156.8	+34.5	3.6	236.3	663.6
1946/47 July-June	159.2	167.9	- 8.7	3.8	231.4	660.0
1947/48 July-June	161.0	159.2	+ 1.8	3.8	237.0	681.3
1947/48 July-Feb.	107.4	106.6	+ 0.8	-	232.2	665.1
1948/49 July-Feb.	112.5	109.5	+ 3.0	-	240.0	694.6

Savings certificates ceased to be issued after 31st January, 1949; net sales of these certificates in New South Wales had recently fallen off to less than £100,000 a month.

COMMONWEALTH BANK = Central Banking Business - Australia.

The excess of exports and capital influx over imports and other overseas payments continues to swell the Central Bank's holdings of gold and foreign balances which reached £377 million at the end of March, 1949, an increase of £162 million since March, 1948. The corresponding expansion in bank deposits was partly countered by redeposits in the trading banks' Special Account which showed a rise of £102 million to £381 million over the year, and also by the accumulation of Government balances (included in "other liabilities") and redemption of Government debt. The Central Bank reduced its holding of Government securities, which includes Treasury bills, by £78 million to £342 million over the year. "Other assets", an item which has increased considerably since 1947 includes advances to certain trading banks made by the Commonwealth Bank, in lieu of releases from Special Account. Prior to the Christmas expansion, the note issue in 1948 had not exceeded £198 million; after a Christmas peak of £217 million it was reduced to £202 million at the end of January and since then a further £5 million had been added. It appears that higher wages and prices have increased currency requirements. The note issue has risen about fourfold during the past ten years, but the change over the post-war period has been relatively small.

COMMONWEALTH BANK= CENTRAL BANKING BUSINESS, including Note Issue
(£millions)

Last Week of Month.	Notes on Issue held by			Trading Banks		Other Lia- bilities (a)	Gold & Bal'cs abroad.	Gov't & other se- curities.	Other Assets (b)
	Public	Banks	Total	Special A/c	Other Dep's				
1946-March	178	17	195	254	30	154	197	422	16
-December	185	23	208	268	29	109	224	386	6
1947-March	179	19	198	278	21	113	223	383	9
-December	180	25	205	263	30	159	178	466	15
1948-March	176	22	198	279	35	150	215	420	27
December	188	29	217	319	22	183	351	358	36
1949-March	n.a.	n.a.	207	381	24	162	377	342	55

(a) Excluding capital and reserve funds. (b) Excluding coins and bills held.

CASH ORDER BUSINESS - New South Wales:

After a wartime decline the value of cash orders issued in this State has again reached the pre-war level (£2.90 million in 1948, compared with £2.53 million in 1947 and an estimate of £2.87 million in 1939). Considering the higher prices and the rise of over 100% in the value of retail sales the present volume of cash order trade is much smaller than pre-war. The value of orders issued in 1947 was 25% above 1946, and the rate of increase slowed down to 14% in 1948, the number of orders issued in that year (292,000) being only 7% more than in 1947. Cash orders are mostly issued to persons in the lower wage groups for purchases of clothing, footwear and other necessities. Absence of unemployment and the present high wage level have reduced the demand for this type of finance.

CASH ORDERS ISSUED - N.S.W.

Y e a r	Quarter Ended				Total for Year	
	March	June	September	December	Value	Number
	£000	£000	£000	£000	£000	000
1939 (a)	n.a.	n.a.	n.a.	n.a.	2,866	n.a.
1946	282	551	453	734	2,020	314
1947	337	693	585	915	2,530	274
1948	388	825	651	1033	2,897	292
Increase 1948 on 1947.	15%	19%	11%	13%	14%	7%

(a) Report on Cash Orders (1941).

LIFE ASSURANCE:

The post-war expansion of life assurance business continued throughout 1948 though there are signs of a slowing down in the growth of new business. The number of new policies issued in New South Wales during the year (96,500 in the ordinary branch and 114,500 in the industrial branch) was slightly below 1947, and the increase in the total sum assured by new policies (from £54 million in 1947 to £58 million in 1948) was smaller than in the two preceding years. The growth of assurance has been greatest in the ordinary branch where the amount assured on new policies rose from £18 million in 1939 and £44 million in 1947 to £47 million in 1948. Fewer new industrial branch policies have been issued, apparently due to a growing preference for group schemes which are administered by the ordinary department. The proportion of new business handled by the industrial branch declined from 30% of the total in 1939 to 20% in 1948.

LIFE ASSURANCE - NEW POLICIES ISSUED IN NEW SOUTH WALES

P e r i o d	Ordinary Department		Industrial Department		Total Sum Assured New Policies
	No. of Policies	Sum Assured	No. of Policies	Sum Assured	
	thousands	£ millions	thousands	£ millions	£ millions
Year 1939	50.5	18.18	156.8	7.54	25.72
1945	53.9	24.00	109.9	7.51	31.51
1946	81.7	38.08	128.3	9.80	47.88
1947	96.7	43.59	115.9	10.48	54.07
1948	96.5	47.45	114.5	11.07	58.52

The total sum assured in New South Wales rose from £197 million in 1939 to £279 million in 1945 and £345 million in 1947. At the same time the number of policies in force rose from 1.38 million to 1.84 million and 2.04 million. The total sum assured in Australia in 1947 was £934 million on 5.44 million policies. The greater part of Australian life assurance funds is invested in Government securities (£265 million at 30th June, 1948) and in loans (£71 million) secured mostly by mortgage or policies.

RETAIL TRADE (Large Sydney Stores)

The value of retail sales by large Sydney stores continues to increase at a rate sufficient to maintain the high volume of sales of recent years. The rate of increase was 16% in 1948 and also in the three months ended January, 1949 over the corresponding periods of 1947-48, that is probably slightly above the current rises of price levels. Increases in stock values have fallen off in recent months; they averaged 21% in 1948 and 11% in January, 1949.

RETAIL SALES-LARGE SYDNEY STORES

Percentage Increase on same period of previous year							
Three months moving Average ended month shown	VALUE OF SALES			M o n t h	VALUE OF STOCKS		
	1947	1948	1949		1947	1948	1949
	%	%	%		%	%	%
January	22	17	16	January	39	24	11
August	22	19		August	33	17	
September	24	16		September	29	17	
October	27	8		October	25	16	
November	24	8		November	28	14	
December	17	13		December	26	12	
Increase twelve months ended December	19	16		Increase twelve months ended Decr.	33	21	

Comparing January 1949 and 1948 principal increases in sales values occurred in piece goods (25%), men's wear (25%) and fashion goods (19%); increases in sales of furniture (15%) and hardware (11%) were smaller than in previous months. Stock values rose considerably in hosiery, men's wear, hardware and piece goods.

INTER-BANK CLEARINGS - Sydney

The value of bank clearings continues to increase but the rate of increase in March quarter, 1949 over 1948 (16%) was below that of 19% between March quarters 1947 and 1948 the average rate of 22% for 1948 over 1947. The seasonally adjusted index (three months moving average based on 1926-1930=100) fell from over 290 in the second half of 1948 to 269 in March, 1949. Industrial expansion, buoyant export incomes and rising prices have been the principal factors in the post-war growth in clearings from £1,485 million in 1945 to £2,578 million in 1948.

INTER-BANK CHEQUE CLEARINGS - SYDNEY (a)

P e r i o d	1946	1947	1948	1949	Percentage increase on previous year			
					1946	1947	1948	1949
	£ millions							
March Quarter	389	459	545	634	13%	18%	19%	16%
June Quarter	448	540	663		16%	21%	23%	
September Quarter	486	518	655		31%	7%	26%	
December Quarter	503	587	715		31%	17%	22%	
Y e a r	1,826	2,104	2,578		23%	15%	22%	

(a) excluding Government transactions.

SYDNEY STOCK EXCHANGE:

Prices at the Sydney Stock Exchange continued to decline in March and early April, and in many cases shares fell back to the level of early 1947 when wartime restrictions on share-trading were lifted. The index for 75 shares for March was 254.6 (the lowest point since September, 1947 and 6% below the peak reached in January, 1948) and further substantial falls occurred in early April. However, there has been only moderate selling pressure and turnovers have remained small. The present stock exchange weakness affecting all types of shares excepting insurance, seems to have been induced by the following factors: falls in overseas stock markets, doubts about continuance of present high export prices, concern about rising costs and industrial difficulties of Australian firms and the cumulative effect of share-selling by speculators reacting at the first sign of weakness in the market.

INDEX OF SHARE PRICES - SYDNEY

Prices of Ordinary Shares (excl. banks). Par value = 100
(Compiled by N.S.W. Govt. Statistician)

M o n t h	Manufact'g & Distributing	Retail	Public Utilities	Pastoral Finance	Insurance	Total 75 Companies	34 Active Shares
1939 - Aug.	212.6	168.2	156.0	118.2	263.9	174.4	181.9
1942 - Mar.	173.0	138.3	120.8	110.3	213.7	140.6	147.0
1946- Dec.	292.4	251.6	197.3	160.7	322.5	229.7	247.2
1947 - June	330.4	318.1	194.9	171.0	401.0	258.1	272.1
1948 - Jan.	361.4	315.5	184.7	191.7	407.8	271.5	283.7
Mar.	345.3	305.6	179.7	173.7	401.6	260.5	268.4
July	363.4	272.1	175.0	185.2	404.2	267.6	280.0
1949 - Jan.	354.8	295.7	172.5	182.2	438.5	259.4	269.7
Feb.	352.1	294.8	167.6	184.1	448.7	258.3	266.9
Mar.	345.1	288.3	165.2	180.6	464.1	254.6	262.2

Note: Regulations restricting trading and price movements in company shares imposed in February, 1942, with subsequent amendments, were rescinded in January, 1947.

NEW SOUTH WALES ACCOUNTS

State revenue for the eight months ended February totalled £59.88 million and expenditure £60.96 million, leaving a deficiency of £1.08 million, compared with a deficiency of £1.45 million for the same period of 1947-48. Principal changes were increases of £1.85 million in Commonwealth tax reimbursements and £1.63 million in State tax and other Governmental revenue, which exceeded the rise of £2.95 million in departmental expenditure. Results of business undertakings were slightly less favourable; an increase in railway revenue of £2.43 million was exceeded by a rise of £2.77 million in railway expenses which more than offset a slightly higher working surplus in tram and bus and harbour services.

NEW SOUTH WALES ACCOUNTS (£millions)

Revenue Item	Actual 8 mths ended February		Estimate Year	Expenditure Item	Actual 8 months ended February		Estimate Year
	1948	1949	1948-49		1948	1949	1948-49
From Commonwealth(1)	12.6	14.5	26.9	Net Debt Charges	9.9	10.0	15.6
State Taxation	5.8	6.8	9.6	Other ex" "			
Other Governmental	5.3	5.9	9.7	Governmental	19.5	22.4	36.8
Railways	23.7	26.2	38.6	Railways	19.8	22.5	33.0
Tram & Bus Services	5.2	5.5	9.0	Tram & Bus Serv.	5.3	5.5	8.8
Sydney Harbour	0.9	1.0	1.4	Sydney Harbour	0.5	0.6	0.9
TOTAL REVENUE	53.5	59.9	95.2	TOTAL EXPENDITURE	55.0	61.0	95.1

(1) Reimbursement of taxes, payments towards interest, hospital benefits & controls administration.

Loan fund expenditure on works totalled £11.35 million for the eight months of 1948-49 compared with £9.43 million in the same period of 1947-48.

COMMONWEALTH GOVERNMENT ACCOUNTS.

Commonwealth revenue for the nine months ended March was £356.8 million in 1949, or £50 million more than in 1948, mainly due to increased receipts from taxes. Revenue from customs, excise, sales and pay-roll tax is running well above the budget rate. Collections of income tax, including social services contribution, were £10.7 million higher in the 1948-49 period in spite of reduced rates; revenue from this source totalled £100 million in June quarter, 1948 and if a similar amount is collected in 1949 the year's revenue from this source would approach the budgeted amount. Collections from flour, wheat and wool charges, earmarked for assistance to the wool and wheat industries was £9.2 million higher in the 1948-49 period, and a big increase in 'other revenue' was due partly to the transfer of surplus trust funds to form a war gratuity reserve. Principal increases in expenditure were in defence and post-war (£22 million) social service (£6.8 mill.), payments to States (£7.9 million) and departmental and other (£17.8 million). An increase of £1.2 million in Post Office revenue was exceeded by a rise of £5.2 million in expenditure. Total expenditure from revenue and defence loan funds was £370.9 million in the 1948-49 period.

COMMONWEALTH GOVERNMENT ACCOUNTS (£millions)

COMMONWEALTH GOVERNMENT REVENUE (millions)				EXPENDITURE			
Item	Revenue		Estimate Year	Item	Expenditure		Estimate Year
	Actual 9 months ended March				Actual 9 months ended March		
	1948	1949			1948	1949	
Customs & Excise	86.7	93.8	115.0	Social Services	51.1	57.9	92.0
Sales Tax	25.5	29.0	38.0	Paid to States:			
Income Tax & S.S.C.	133.1	143.8	246.0	Tax Reimbursement	26.6	32.1	53.4
Payroll Tax	12.1	14.5	18.0	Other (States)	15.4	17.8	24.5
Other Taxes	9.2	8.8	14.0	Post Office	21.2	26.4	32.5
Total Taxation	266.6	289.9	431.0	Self-balancing(a)	7.8	17.0	16.7
Post Office	23.3	24.6	32.8	Departmental & Other	60.4	78.2	112.9
Self-balancing(a)	7.8	17.0	16.7	Total of above	182.5	229.4	332.0
Other	9.1	25.3	29.0	Defence & Post-War			
				(b)	119.5	141.5	195.2
TOTAL REVENUE	306.8	356.8	509.5	TOTAL EXPENDITURE	302.0	370.9	527.2

(a) Charges on flour, wheat and wool, earmarked for assistance to these industries.

(b) Excludes payment from revenue £4.8 million to credit of loan funds in 1947-48, but includes £14.12 million paid from loan funds in 1948-49. 1948-49 budget provides for £177.5 million from revenue and £17.7 million from loan funds.

REAL ESTATE TRANSACTIONS - New South Wales

Transfers of real estate registered continue at a high level. The number of sales was 20,880 in March quarter 1949 and their registered value £15.47 mill., compared with 18,068 valued at £14.36 mill. in March quarter, 1948. Since restrictions on the sale of vacant urban land were lifted in September, 1948 the number of transactions has shown a marked increase (allowing for the usual seasonal fluctuations). The value of new mortgages registered rose considerably during 1948 and was £8.70 mill. in March quarter, 1949 compared with £8.51 mill. and £5.89 mill. in the corresponding quarters of 1948 and 1947.

REAL ESTATE TRANSACTIONS, NEW SOUTH WALES.

Year	Sales		Mortgages		Quarter	Sales		Mortgages	
	Transact- ions.	Consid- eration.	Transact- ions.	Consid- eration.		Transact- ions.	Consid- eration.	Transact- ions.	Consid- eration.
	No.	£mill.	No.	£mill.		No.	£mill.	No.	£mill.
Av. 1936-38	44,375	36.11	23.76		1948-March	18,068	14.36	8.51	
1946	81,196	50.68	21.37		Sept.	20,911	14.59	6.89	
1947	80,592	57.22	25.99		Dec.	22,562	15.21	7.70	
1948	80,597	59.46	31.46		1949-March	20,880	15.47	8.70	

PART 111 - RURAL INDUSTRIES.

THE SEASON:

Copious rains over all the State in February and March have been of great benefit to the rural industries. Pastoral conditions have been very satisfactory and stock is in good condition. Dairy districts are enjoying a favourable season; pastures and production have been well maintained and fodder crops have grown well. Wheat fallows are in good condition, particularly in Northern districts, and preparations for wheat sowing are well advanced.

RAINFALL INDEX - NEW SOUTH WALES.

Weighted average ratio of actual to normal rainfall= 100 for each month

	Sheep Districts					Wheat Districts				Coastal Dairying Dist.			
	N.	C.	S.	W.	Total	N.	C.	S.	Total	N.	C.	S.	Total
1946-Year	77	68	101	87	83	62	69	102	88	84	89	80	85
1947-Year	126	131	119	145	127	118	130	124	125	118	109	96	113
1948-Year	102	103	99	92	101	98	100	96	97	106	95	96	102
1948-Nov.	81	65	98	49	79	74	61	102	88	96	46	60	78
Dec.	96	71	126	106	100	111	79	123	110	63	72	98	70
1949-Jan.	95	83	55	41	73	111	78	52	66	83	147	126	105
Feb.	224	174	114	181	170	225	167	112	140	115	222	138	145
Mar.	99	147	227	388	186	64	152	248	200	161	165	145	160

N Northern; C.Central; S.Southern; W.Western

W O O L:

Deliveries of wool into New South Wales stores for the eight months ended February, 1949 totalled 1.05 million bales; 160,000 bales more than for the same period of 1947-48. Clearances up to the end of February were 745,000 bales in 1948-49, or 24,000 bales more than in 1947-48, and 323,000 bales remained in store unsold at the end of the month. Sales and shipments of wool were suspended at the end of February for six weeks because of an industrial dispute, and it may be difficult to clear the accumulated stocks before the end of the season. Sales in Sydney were resumed on 11th April.

RECEIVALS, DISPOSALS AND STOCKS OF WOOL.

(N.S.W.Stores excl. Albury - Thousand Bales)

	1948-49			1947-48
	Sydney	Newcastle & Goulburn	Total N.S.W.	Total N.S.W.
Carry-over from June	14	1	15	41
Receipts, July to February	848	205	1,053	893
Total	862	206	1,068	934
Disposals, July to February	585	160	745	721
Balance in Store at end of February.	277	46	323	213

Sales in Australia up to the end of March, 1949 totalled 2.29 million bales (2.12 million bales in 1947-48) realizing £144 million (£104 million in 1947-48), which means an increase of nearly a third in the average price realized per bale. The average wool price (full clip basis, Sydney) was 54.5d per lb.greasy in February, 1949 compared with an average of 37.2d for the 1947-48 season and 23.3d in 1946-47.

A recent report by the International Wool Secretariat, London on the world apparel wool situation in 1949 makes the following points: World production for the year 1948-49 is estimated at 2.930 million lbs.greasy; 20 million lbs. more than in 1947-48, with Australia contributing approximately 1,026 million lbs. (1,015 million lbs in 1947-48). World consumption of apparel wool was estimated at 3.780 million lbs. for 1947-48 and 3.750 million lbs. in 1948-49 with a resultant decline in world stocks from 4.420 million lbs to 2.730 million lbs. That means that about 20% of consumption during the two years came from stocks, - mainly from the surplus J.O. and U.S.Government stockpiles, and at the current rate of consumption stocks will be down to about 9 months consumption by June, 1949 over two thirds of which represent normal commercial stock requirements. These stocks are unbalanced in relation to demand being mainly medium and coarse wools. The recent narrowing in the gap between the price of fine and crossbred types suggests an

increasing measure of substitution for scarce merino wool. The report concludes that on the basis of the supply-demand relation immediate market prospects for wool remain very favourable, but that prices and purchases in the short run are influenced by the general political and economic situation; if these factors are favourable a continued high level of wool consumption and prices can be expected for 1949.

DAIRYING:

After dry weather in early summer, dairying districts in New South Wales received good rains in the March quarter of 1949, and summer output was maintained at a satisfactory level. Butter production in factories for the eight months ended February, 1949 was 50.73 million lbs. compared with 53.87 million lbs in 1947-48. Butter output is now a third below pre-war, but total wholemilk production is recovering from the 1946-47 drought and has reached approximately 90% of the pre-war average of 318 million gallons. Milk supplies to the Milk Board rose from about 26 million gallons before the war to 56 million gallons in 1947-48, and use of milk for condensory products from 12 million gallons to 29 million gallons while input of butter factories declined from 220 million gallons to 156 million gallons in 1947-48.

PRODUCTION OF BUTTER IN FACTORIES, New South Wales. (in million lbs.)

P e r i o d	Average 3 years		1946-47	1947-48	1948-49
	1937-38 to 1939-40	1943-44 to 1945-46			
July to February	78.35	56.68	38.31	53.87	50.73
March to June	35.58	21.28	22.07	22.20	
Y e a r	113.93	77.96	60.38	76.07	

The Milk Board has fixed the winter price to suppliers of wholemilk at 2/2 a gallon. Between April, 1944 and September, 1948 suppliers to the Milk Board received a fixed price for milk delivered at country depots plus a basic subsidy in the months of low production, supplemented by special subsidies and drought relief in poor seasons. Excluding the latter, payments to producers fluctuated between 1/4 and 1/8½ per gallon in 1945-46, 1/5 and 1/9½ in 1947 and 1/8 and 1/10¼ in 1948. Basic subsidies were discontinued in September, 1948; the fixed price remained at 1/8 until 18th March, 1949 when it was raised to 2/2 per gallon.

PRICE & SUBSIDY PAYMENTS TO SUPPLIERS OF N.S.W. MILK BOARD

P e r i o d	Price at Factory	Basic Subsidy	Total	P e r i o d	Price at Factory	Basic Subsidy	Total
	pence	per gallon			pence	per gallon	
April, 1945	16.0	4.5	20.5	1947, Oct. 31 to			
April, 1946	16.0	4.5	20.5	1948, Mar. 4 to	17.5	1.75	19.25
1947, Jan 3 - Jan. 30	16.0	1.0	17.0	Mar. 5-Apr. 1	17.5	2.73	20.23
Jan 31- Feb. 27	16.0	4.0	20.0	Apr. 2-May 13	17.5	3.75	21.25
Feb 28- Aug. 28	16.0	5.5	21.5	May 14-Sep. 2	21.5	2.00	23.50
Aug. 29- Oct. 2	16.0	4.0	20.0	Sep. 10-17/3/49	20.0	-	20.00
Oct. 3 -Oct. 30	16.0	1.0	17.0	1949, Mar. 18-	26.0	-	26.00

Payments to cream suppliers to butter factories (North Coast) have been fixed at 2/1¼ per lb (commercial butter equivalent) for pay and subsidy, plus deferred pay (which amounted to ½d per lb. in July-December, 1948) this compares with a total return of about 2/- per lb. in 1947-48 and 1/8 in 1946. For five years from April 1947, the Government has guaranteed dairy farmers a basic return of 2/- per lb., butter equivalent, to be varied each season according to changes in costs.

Comparing March, 1939 and 1949 payments to cream suppliers for butter have doubled from 1/1 per lb. (butter equivalent) to about 2/2d, and payments to Milk Board suppliers from 1/- to 2/2 per gallon of wholemilk. However, because of Government subsidies (and for butter, higher overseas prices) prices charged to Australian consumers have risen to a lesser extent: from 1/7 to 2/2 per lb for butter and from 1/2 to 1/10 per gallon of milk (Sydney prices).

WHEAT EXPORT PRICES - Australia & Canada.

	Year 1939	August 1946	Jan. 1947	Jan. 1948	Jan. 1949
		Pence Per bushel			
A/an Wheat Board Basic Export Price (1)	29	134	175	244	190
No.1 Nth Manitoba, basis Store Fort William.	62	Cents per bushel			
		205	228	325	232

(1) Average bulk and bagged, f.o.r. ports; for 1939 shippers' limits f.o.r. ports

MEAT PRODUCTION:

Favourable seasonal conditions in 1947 and 1948 led to an increase in livestock numbers but meat supplies are still limited by the demand for re-stocking, and, in the case of mutton and lamb, by high wool prices. Production of beef and veal in the half-year ended December, 1948 totalled about 87,400 tons, that is 11,400 tons more than in 1947 but still below pre-war. Mutton and lamb supplies are at pre-war level, that is about a third less than during the war. Pigmeat supplies have improved in 1948 but are still very low compared with earlier years. Production of canned meats, mostly for export, was about 3,200 tons in the second half of 1948, that is more than double the production for the full year 1938-39.

MEAT PRODUCTION- NEW SOUTH WALES

(Thousand tons)

Particulars	Year	Yearly Av.	Year		Six Months ended December	
	1938-39	1939-45	1946-47	1947-48(a)	1947(a)	1948 (a)
Beef and Veal	181.1	149.8	139.9	160.3	76.0	87.4
Mutton and Lamb	103.9	134.7	110.1	104.2	59.5	60.1
Pork, Bacon and Ham	25.7	32.1	27.9	23.3	11.7	12.2
Canned Meat	1.5	8.9	8.0	5.4	3.1	3.3

(a) Preliminary, subject to revision

Wholesale prices (Sydney averages) for beef rose from 5.8d a lb. in September, 1945 to 7.6d in February, 1949, and for lamb from 8.6d to 17¹/₂d in June, 1948, but were reduced to 10¹/₂d in 1949. Mutton prices were also reduced from a peak of 7¹/₂d in October, 1948 to 6¹/₂d and pork prices from 18d to 17¹/₂d. Present meat prices are about 70% to 100% above pre-war.

WHOLESALE PRICES OF MEAT - SYDNEY - (per lb.)

Month	Beef(a)	Mutton	Lamb	Pork
	d.	d.	d.	d.
September 1939	4.2	3.2	6.3	9.8
September 1945	5.8	5.5	8.6	-
September 1948	6.75	7.5	10.8	13.8
February 1949	7.6	6.5	10.5	17.5

(a) Ox bodies in 1939; ox and heifer 400-650 lbs in 1945 and 1947

DAIRYING

After three very dry months dairy districts benefited from good rainfall in January, and stock and pastures are generally in fair condition for the winter. Butter output in factories for the seven months ended January, 1949 was 42.5 million lbs, compared with 45.2 million lbs in 1947/48. However, wholemilk supplies for other processing and for fresh milk consumption were larger in the current season. Total wholemilk production in New South Wales in July-December amounted to 137.5 million gallons in 1948 as against 135.5 million gallons in 1947 and 115.2 million gallons in 1946.

PRODUCTION OF BUTTER IN FACTORIES, New South Wales.

(in million lbs.)

Period	average 3 years.		1946-47	1947-48	1948-49
	1937-38 to 1939-40	1943-44 to 1945-46			
July to January	66.53	48.31	30.93	45.18	42.49
February to June	67.40	29.65	29.45	31.01	
Year	113.93	77.96	60.38	76.07	